

*Without Congressional action, subsidized Stafford interest rates will go from 3.4 percent to 6.8 percent on July 1*

**WASHINGTON, DC** – With just five days remaining to prevent the interest rate on subsidized Stafford student loans from doubling from 3.4 percent to 6.8 percent, Senators Joe Lieberman and Richard Blumenthal, and Representatives, Joe Courtney, Rosa DeLauro, John Larson, Chris Murphy and Jim Himes today again reiterated calls for swift action to prevent the rate increase.

“I have long supported efforts to make higher education affordable to all Americans,” **said Senator Lieberman.**

“During these difficult economic times, it is my hope that a bi-partisan coalition comes together and ensures that students and their families do not suffer from a rise in student loan interest rates.”

“A stealth tax will be imposed on thousands of Connecticut students if Congress continues to stall and stonewall,” **Senator Blumenthal said.** “The average impact on 73,000 Connecticut students will be as high as \$1,000 in a hidden stealth tax if the interest rate rises to 6.8 percent in the absence of action keeping it at 3.4 percent. An investment in our students is an investment in our future - plain and simple. The lack of action on making education more affordable has been infuriating and unnecessary at a time when Connecticut and the nation need skilled and educated workers most. Partisan stonewalling on this issue has damaged our democracy, but Connecticut's delegation stands strong and will keep the pressure on as this deadline looms.”

“The American people are looking for swift, long-term relief on student loan debt, and that effort begins with ensuring that these rates do not double in five days,” **said Congressman Courtney.**

“At a time when Americans owe more in student-loan debt than credit card debt and auto loan debt, it is critical that we prevent interest rates from rising further. We cannot allow a de-facto tax increase on middle- and low-income families to exacerbate this problem, especially as we work to continue our economic recovery.”

“Only by keeping college affordable and available can we continue to have a strong middle class and good job growth in America,” **said Congresswoman DeLauro.** “But in recent years, that principle has been threatened, due to the cost of college continuing to increase. That is why we need to pass legislation that stops the doubling of the student loan interest rate and allows students to graduate without a mountain of debt or needlessly placing all of the costs on working American families. That is what is at stake here, and that is why we have to stop this rate from doubling in five days.”

“As our nation continues its recovery from the worst economic crisis since The Great Depression, we should not be placing an unnecessary burden on our recent and future graduates,” **Congressman Larson said.** “When nations around the world are investing in research and development and education, we should not be putting up unnecessary obstacles for those seeking to enhance their careers through education. Congress must act today to keep student loan rates affordable.”

“As one of the few Members of Congress still paying back his student loans, I know both the burden of loan payments and the benefit that lower payments can provide,” **said Congressman Murphy.** “These higher interest rates could mean \$5,000 in increased costs for young graduates. In this economy that’s too much to bear.”

“Access to higher education can’t be a luxury—it is an economic imperative and the best way to increase opportunity for every student, no matter where they live or what their family’s financial situation,” **Himes said.** “We will never compete with China, India, and the other nations around the world unless everyone who is ready for and wants to go to college can pursue higher education. We must act now to keep college loan rates low.”

Congressman Courtney introduced legislation on January 25 to permanently cap the interest

rate at 3.4 percent. Almost 150 days later, his and other legislative solutions are being stonewalled by House Republican leadership and Senate Republican filibusters.

According to the non-partisan group U. S. PIRG, if Congress does nothing, borrowers who take out the maximum \$23,000 in subsidized student loans will see their interest balloon to an additional \$5,200 over a 10-year repayment period and \$11,300 over a 20-year repayment period.

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